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 Attorneys for Debtors and Debtors-in-Possession

**UNITED STATES BANKRUPTCY COURT  
 DISTRICT OF NEVADA**

In re:  
 USA COMMERCIAL MORTGAGE COMPANY,  
 Debtor.

Case Nos. BK-S-06-10725 LBR  
 Case Nos. BK-S-06-10726 LBR  
 Case Nos. BK-S-06-10727 LBR  
 Case Nos. BK-S-06-10728 LBR  
 Case Nos. BK-S-06-10729 LBR  
 Chapter 11

In re:  
 USA CAPITAL REALTY ADVISORS, LLC,  
 Debtor.

In re:  
 USA CAPITAL DIVERSIFIED TRUST DEED FUND, LLC,  
 Debtor.

Jointly Administered Under  
 Case No. BK-S-06-10725 LBR

In re:  
 USA CAPITAL FIRST TRUST DEED FUND, LLC,  
 Debtor.

In re:  
 USA SECURITIES, LLC,  
 Debtor.

Affects:  
☐ All Debtors  
☒ USA Commercial Mortgage Company  
☐ USA Securities, LLC  
☐ USA Capital Realty Advisors, LLC  
☒ USA Capital Diversified Trust Deed Fund, LLC  
☒ USA First Trust Deed Fund, LLC

**DECLARATION IN SUPPORT OF EX  
 PARTE APPLICATION FOR ORDER  
 SHORTENING TIME TO HEAR  
 MOTION FOR AUTHORITY TO  
 FORBEAR AND TO PROVIDE  
 FURTHER FUNDING FOR CERTAIN  
 OUTSTANDING LOANS [AFFECTS  
 DEBTOR USA COMMERCIAL  
 MORTGAGE COMPANY, DEBTOR  
 USA CAPITAL DIVERSIFIED TRUST  
 DEED FUND, LLC, AND DEBTOR USA  
 CAPITAL FIRST TRUST DEED FUND,  
 LLC]**

Date of Hearing: OST Requested  
 Time of Hearing: OST Requested

**SCHWARTZER & MCPHERSON LAW FIRM**  
 2850 South Jones Boulevard, Suite 1  
 Las Vegas, Nevada 89146-5308  
 Tel: (702) 228-7590 · Fax: (702) 892-0122

1 Jeanette E. McPherson, Esq. of Schwartzer & McPherson Law Firm, attorney for the above  
 2 captioned debtors and debtors in possession (the "Debtor"), under penalties of perjury, hereby  
 3 declares on this 9<sup>th</sup> day of June, 2006 that:

4 1. A Motion For Authority To Forebear And To Provide Further Funding For Certain  
 5 Outstanding Loans (the "Motion") has been filed. This Motion respectfully requests that the Court  
 6 authorize the Debtors to take the actions outlined with respect to the Franklin/Stratford Loan  
 7 (release of excess collateral), the Boise/Gowan Loan (an additional loan advance of \$125,000 by  
 8 Debtor USACM), the Amesbury Loan (issue partial releases for the remaining 3 condominium  
 9 units in Phase I and accept the net sales proceeds associated therewith), and the Four FHA Loans  
 10 (limited forbearance until January 1, 2007), based upon the Debtors' business judgments that these  
 11 actions are in the best interests of all concerned parties.

12 2. Notice can be shortened pursuant to Bankruptcy Rule 9006(c)(1) and LR 9006(a).

13 3. The Motion is requested to be heard on shortened time because these matters  
 14 cannot wait because value will be lost and/or the projects may be shut down. Omnibus hearings  
 15 are currently scheduled in this matter for June 21, 2006 at 9:30 a.m. and the Debtor respectfully  
 16 requests that the Motion be heard on June 21, 2006. Holding a hearing on the Motion at the same  
 17 time would serve the interests of judicial economy. Further, the next hearing scheduled in this  
 18 case is not until July 25, 2006, well after the relief requested in this motion must be determined.

19 Dated: June 9, 2006

20 /s/ JEANETTE E. MCPHERSON  
 21 Jeanette E. McPherson  
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